

ORIGINAL
U.S. DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN

'03 APR -8 PM 12:06

UNITED STATES OF AMERICA,

Plaintiff,

v.

03 - CR 075

Case No. 03-CR-
[T. 18 U.S.C. §§ 2, 1341, 1343,
1956(a)(1)(B)(i) and 1957; T. 42
U.S.C. § 408(a)(7)(B)]

JOMO K. STEPHENS,
a/k/a CORNELIUS HENRY,
TODD V. PERRY, and
PHILLIP L. RHYMES,

Defendants.

INDICTMENT

THE GRAND JURY CHARGES:

1. Between on or about December 1, 1998, and June, 2000, in the State and Eastern District of Wisconsin and elsewhere,

JOMO K. STEPHENS, a/k/a CORNELIUS HENRY,
TODD V. PERRY, and
PHILLIP L. RHYMES,

knowingly devised and executed a scheme to defraud purchasers of used motor vehicles.

The Scheme to Defraud

2. As part of the scheme to defraud, the defendants sold stolen motor vehicles and rebuilt motor vehicles, referred to as salvaged, from the states of New York, New Jersey and elsewhere.

3. The defendants acquired fraudulent title documents from the Wisconsin Department of Motor Vehicles which materially disguised the fact that the motor vehicle to which the title related was either stolen or salvaged through the use of fictitious titles.

4. The defendants sold the motor vehicles to purchasers who believed they were receiving good and lawful title.

5. The defendants laundered the proceeds for the sales through financial institutions.

At all times material to this indictment:

6. Educators Credit Union is a financial institution located within the Eastern District of Wisconsin whose deposits were insured by the National Credit Union Administration ("NCUA").

7. Dime Savings Bank (now Washington Mutual) is a financial institution located in Valley Stream, New York whose deposits were insured by the Federal Deposit Insurance Corporation ("FDIC").

COUNT ONE (Mail Fraud)

THE GRAND JURY CHARGES:

That on or about December 1, 1998, in the State and Eastern District of Wisconsin,

**JOMO K. STEPHENS,
a/k/a CORNELIUS HENRY,**

for the purpose of executing the above-described scheme, did knowingly cause mail matter to be delivered by the United States Postal Service. The mail was a fraudulent Wisconsin vehicle title to a 1995 Nissan Pathfinder that Stephens thereafter sold to a Milwaukee, Wisconsin auto dealership.

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT TWO (Misuse of Social Security Number)

THE GRAND JURY FURTHER CHARGES:

That on or about April 21, 1999, in the State and Eastern District of Wisconsin,

**JOMO K. STEPHENS,
a/k/a CORNELIUS HENRY,**

with intent to deceive, did knowingly use a Social Security account number that had not been assigned to him by the Commissioner of Social Security. Stephens using the alias name Cornelius Henry provided Social Security account number 351-74-1235 on his application to open a checking and savings account at Educators Credit Union, 10811 West Park Place, Milwaukee, Wisconsin.

All in violation of Title 42, United States Code § 408(a)(7)(B).

COUNT THREE (Money Laundering)

THE GRAND JURY FURTHER CHARGES:

That on or about June 3, 1999, in the State and Eastern District of Wisconsin,

**JOMO K. STEPHENS,
a/k/a CORNELIUS HENRY,**

did knowingly conduct a financial transaction affecting interstate commerce to wit: the deposit of a check in the amount of \$9,700 to account number 88710 at the Educators Credit Union, Milwaukee, Wisconsin, which involved the proceeds of a specified unlawful activity, that is, mail fraud (18 U.S.C. § 1341), knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership and control of the proceeds of said specified unlawful activity and knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code §§ 1956(a)(1)(B)(i) and 2.

COUNT FOUR (Mail Fraud)

THE GRAND JURY FURTHER CHARGES:

That on or about January 28, 1999, in the State and Eastern District of Wisconsin,

PHILLIP L. RHYMES,

for the purpose of executing the above-described scheme, did knowingly cause mail matter to be delivered by the United States Postal Service. The mail was a fraudulent Wisconsin vehicle title to a 1994 Acura Integra that Rhymes thereafter sold to a citizen in Milwaukee, Wisconsin.

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT FIVE (Mail Fraud)

THE GRAND JURY FURTHER CHARGES:

That on or about April 21, 1999, in the State and Eastern District of Wisconsin,

**JOMO K. STEPHENS,
a/k/a CORNELIUS HENRY,**

for the purpose of executing the above-described scheme, did knowingly cause mail matter to be delivered by the United States Postal Service. The mail was a fraudulent Wisconsin vehicle title to a 1994 Acura Legend that Stephens thereafter sold to a Waukesha, Wisconsin auto dealership.

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT SIX (Money Laundering)

THE GRAND JURY FURTHER CHARGES:

1. That on or about June 22, 1999, in the State and Eastern District of Wisconsin,

JOMO K. STEPHENS,
a/k/a CORNELIUS HENRY,

did knowingly engage in a monetary transaction by, through and to a financial institution, affecting interstate commerce, in criminally derived property of value greater than \$10,000.

2. The monetary transaction was the deposit of a \$16,000 check into account number 88710 that Stephens maintained at Educators Credit Union.

3. The monetary transaction, in fact, involved the proceeds of a specified unlawful activity, that is, mail fraud, in violation of Title 18, United States Code, Section 1341.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT SEVEN (Mail Fraud)

THE GRAND JURY FURTHER CHARGES:

That on or about September 7, 1999, in the State and Eastern District of Wisconsin,

**TODD V. PERRY and
PHILLIP L. RHYMES,**

for the purpose of executing the above-described scheme, did knowingly cause mail matter to be delivered by the United States Postal Service. The mail was a fraudulent Wisconsin vehicle title to a 1997 Nissan Pathfinder that Rhymes thereafter sold to a citizen in the Milwaukee, Wisconsin area.

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT EIGHT (Money Laundering)

THE GRAND JURY FURTHER CHARGES:

1. That on or about January 15, 2000, in the State and Eastern District of Wisconsin,

**TODD V. PERRY and
PHILLIP L. RHYMES,**

did knowingly engage in a monetary transaction by, through and to a financial institution, affecting interstate commerce, in criminally derived property of value greater than \$10,000.

2. The monetary transaction was the deposit of a \$14,000 check into account number 51514 that Rhymes maintained at Educators Credit Union.

3. The monetary transaction, in fact, involved the proceeds of a specified unlawful activity, that is, mail fraud, in violation of Title 18, United States Code, Section 1341.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT NINE (Wire Fraud)

THE GRAND JURY FURTHER CHARGES:

That on or about January 18, 2000, in the State and Eastern District of Wisconsin,

**TODD V. PERRY and
PHILLIP L. RHYMES,**

for the purpose of executing the above-described scheme to defraud, caused certain signals to be transmitted in interstate commerce by means of wire, that is, Phillip Rhymes at the instruction of Todd Perry caused \$5,500 to be transmitted via wire-transfer from Rhymes' account at Educators Credit Union, number 51514, to account number 0750989808 held in the name of another at Dime Savings Bank (now Washington Mutual).

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT TEN (Money Laundering)

THE GRAND JURY FURTHER CHARGES:

That on or about January 18, 2000, in the State and Eastern District of Wisconsin,

**TODD V. PERRY and
PHILLIP L. RHYMES,**

did knowingly conduct a financial transaction affecting interstate commerce to wit: a wire transfer in the amount of \$5,500 by Phillip Rhymes at the instruction of Todd Perry to account number 0750989808 held in the name of another located at Dime Savings Bank (now Washington Mutual) which involved the proceeds of a specified unlawful activity, that is, wire fraud (18 U.S.C. § 1343), knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership and control of the proceeds of said specified unlawful activity and knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code §§ 1956(a)(1)(B)(i) and 2.

COUNT ELEVEN (Wire Fraud)

THE GRAND JURY FURTHER CHARGES:

That on or about January 26, 2000, in the State and Eastern District of Wisconsin,

**TODD V. PERRY and
PHILLIP L. RHYMES,**

for the purpose of executing the above-described scheme to defraud, caused certain signals to be transmitted in interstate commerce by means of wire, that is, Phillip Rhymes at the instruction of Todd Perry caused \$3,000 to be transmitted via wire-transfer from Rhymes' account at Educators Credit Union, number 51514, to account number 0750989808 held in the name of another at Dime Savings Bank (now Washington Mutual).

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT TWELVE (Money Laundering)

THE GRAND JURY FURTHER CHARGES:

That on or about January 26, 2000, in the State and Eastern District of Wisconsin,

**TODD V. PERRY and
PHILLIP L. RHYMES,**

did knowingly conduct a financial transaction affecting interstate commerce to wit: a wire transfer in the amount of \$3000 by Phillip Rhymes at the instruction of Todd Perry to account number 0750989808 held in the name of another located at Dime Savings Bank (now Washington Mutual) which involved the proceeds of a specified unlawful activity, that is, wire fraud (18 U.S.C. § 1343), knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership and control of the proceeds of said specified unlawful activity and knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

COUNT THIRTEEN (Mail Fraud)

THE GRAND JURY FURTHER CHARGES:

That on or about April 17, 2000, in the State and Eastern District of Wisconsin,

**TODD V. PERRY and
PHILLIP L. RHYMES,**

for the purpose of executing the above-described scheme, did knowingly cause mail matter to be delivered by the United States Postal Service. The mail was a fraudulent Wisconsin vehicle title to a 1997 Acura that Rhymes thereafter sold to a Waukesha, Wisconsin auto dealership.

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT FOURTEEN (Money Laundering)

THE GRAND JURY FURTHER CHARGES:

1. That on or about April 26, 2000, in the State and Eastern District of Wisconsin,

**TODD V. PERRY and
PHILLIP L. RHYMES,**

did knowingly engage in a monetary transaction by, through and to a financial institution, affecting interstate commerce, in criminally derived property of value greater than \$10,000.

2. The monetary transaction was the deposit of a \$12,000 check into account number 51514 that Rhymes maintained at Educators Credit Union.

3. The monetary transaction, in fact, involved the proceeds of a specified unlawful activity, that is, mail fraud, in violation of Title 18, United States Code, Section 1341.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT FIFTEEN (Wire Fraud)

THE GRAND JURY FURTHER CHARGES:

That on or about April 27, 2000, in the State and Eastern District of Wisconsin,

**TODD V. PERRY and
PHILLIP L. RHYMES,**

for the purpose of executing the above-described scheme to defraud, caused certain signals to be transmitted in interstate commerce by means of wire, that is, Phillip Rhymes at the instruction of Todd Perry caused \$10,000 to be transmitted via wire-transfer from Rhymes' account at Educators Credit Union, number 51514, to account number 0750984957 at Dime Savings Bank (now Washington Mutual).

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT SIXTEEN (Money Laundering)

THE GRAND JURY FURTHER CHARGES:

That on or about April 27, 2000, in the State and Eastern District of Wisconsin,

**TODD V. PERRY and
PHILLIP L. RHYMES,**

did knowingly conduct a financial transaction affecting interstate commerce to wit: a wire transfer in the amount of \$10,000 by Phillip Rhymes at the instruction of Todd Perry to account number 0750984957 held in the name of another at Dime Savings Bank (now Washington Mutual) which involved the proceeds of a specified unlawful activity, that is, wire fraud (18 U.S.C. § 1343), knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership and control of the proceeds of said specified unlawful activity and knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

COUNT SEVENTEEN (Mail Fraud)

THE GRAND JURY FURTHER CHARGES:

That on or about May 16, 2000, in the State and Eastern District of Wisconsin,

JOMO K. STEPHENS,
a/k/a CORNELIUS HENRY,

for the purpose of executing the above-described scheme, did knowingly cause mail matter to be delivered by the United States Postal Service. The mail was a fraudulent Wisconsin vehicle title to a 1995 Lexus that Stephens thereafter sold to a citizen in the Milwaukee, Wisconsin area.

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT EIGHTEEN (Money Laundering)

THE GRAND JURY FURTHER CHARGES:

1. That on or about June 7, 2000, in the State and Eastern District of Wisconsin,

JOMO K. STEPHENS,
a/k/a CORNELIUS HENRY,

did knowingly engage in a monetary transaction by, through and to a financial institution, affecting interstate commerce, in criminally derived property of value greater than \$10,000.

2. The monetary transaction was the deposit of a \$12,500 check into account number 88710 that Rhymes maintained at Educators Credit Union.


3. The monetary transaction, in fact, involved the proceeds of a specified unlawful activity, that is, mail fraud, in violation of Title 18, United States Code Section 1341.

All in violation of Title 18, United States Code, Sections 1957 and 2.

A TRUE BILL:


FOREPERSON

4/8/23
DATE


STEVEN M. BISKUPIC
United States Attorney